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DEPARTMENT FOR EUR/SCE (KABUMOTO)

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TAGS: [PGOV](#) [HR](#)

SUBJECT: SANADER'S HDZ STILL COBBLING TOGETHER COALITION;  
MINORITY GOVERNMENT LIKELY

Classified By: Poloff A.F.Godfrey for reasons 1.5 (b,d)

Summary

**11.** (C) Nearly two weeks after his party scored a resounding win in Croatia's November 23 parliamentary election, HDZ President Ivo Sanader is still rounding up votes to pass a vote of confidence in the new parliament. Sanader will certainly be Croatia's next Prime Minister, but it is taking him a bit longer than he expected to get the eleven additional votes his HDZ needs for a majority. The HDZ may in fact begin its term with a minority government; Sanader already has enough pledges of "yea" votes from parties which do not intend to enter his coalition. In a meeting with the Ambassador on December 3, Sanader said he would meet with President Mesic on December 8 and expected to be named "PM-Designate" shortly thereafter. Election results were made "official" on December 5; the first session of the parliament must take place within 20 days. A new HDZ-led government could be in place before Christmas. End Summary.

HDZ Headed for Minority Government?

**12.** (C) Euphoria from the HDZ's big win on November 23 faded quickly as Sanader has had to work hard to secure commitments from new members of the Sabor to secure the 77-seat majority needed to pass a vote of confidence in Croatia's new parliament. So far, Sanader has obtained the signatures of ten MP's (a mixture of small parties, minority representatives and three votes from the Croatian Party of Pensioners - HSU) to add to the 66 HDZ seats he already controls. While no other MP-elect has officially signed up, Sanader has more than enough informal pledges of support for his proposed government to pass an initial vote of confidence in the parliament.

HSS Decides Against Coalition with HDZ

**13.** (C) Sanader's hopes of a comfortable majority were dashed on December 2, when the Croatian Peasants' Party (HSS) turned down an offer to enter a coalition with the HDZ. Nevertheless, HSS President Zlatko Tomcic agreed to vote to support Sanader's proposed government, which will give the HDZ enough votes to pass a vote of confidence with a few to spare. HSS leaders told us they were under heavy pressure from conservative European political leaders to enter coalition with HDZ, but resistance from within the HSS to joining with their former political opponents threatened party stability. Had the HSS decided to enter government with the HDZ, it would almost certainly mean the ouster of the eight HSS governors who owe their seats to deals with the HDZ's political opponents. Despite his party's poor performance in the election, HSS party president Tomcic is trying to have his cake and eat it too: his deal with Sanader reportedly lets HSS appointees keep their political patronage jobs while his decision to remain out of the HDZ government might let HSS governors remain in their chairs.

EU Ambassadors Insist That HSP Stay Out of Government

**14.** (C) Sanader lost the option to form a coalition with the extreme right-wing Croatian Party of Rights (HSP) when on December 1 the Italian Ambassador to Croatia -- after a November 27 meeting of all European Union Ambassadors in Zagreb -- announced that the HSP was "unacceptable" to the EU and that a government including the HSP would impede Croatia's progress toward EU membership. In a December 3 meeting with the Ambassador, Sanader said that he had never really considered a coalition with the HSP, but was peeved by the EU Ambassadors' "inappropriate" interference in Croatia's internal political affairs.

Sanader Still Searching For The 77th Vote

**15.** (C) Sanader told the Ambassador that he still hoped to get at least one more signature. Negotiations with Furio Radin, the representative of Croatia's Italian minority are

still open, Sanader said, and the HDZ still hopes to come to some agreement with the three Members-elect representing Serbs. All of Croatia's political elite know that Radin holds Sanader's all-important 77th seat and the pressure is on from Sanader's political opponents in Istria (where most of Croatia's ethnic Italians live) to keep Radin out of the Government. Press reports indicate that Radin will be on the fence: like the HSS, he will vote confidence in the Sanader government, but will not sign on the dotted line.

Election Results Final, Parliament Must Sit By Christmas

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16. (C) The results from the November 23 election become "official" on December 5, two days after they were announced by Croatia's State Electoral Commission. Croatia's constitution requires the first session of the new parliament be convened within 20 days of "completion of the electoral process," which means it will be opened before December 125.

Sanader Expects Designation From Mesic

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17. (C) Sanader told the Ambassador that he expects to meet formally with President Mesic on December 8 and be named PM-Designate soon after, possibly as early as December 9. There is no requirement that the government pass its vote of confidence in the Sabor's first meeting and Sanader may choose to wait until early January.

Ambassador Lays Down Markers With Sanader

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18. (C) The Ambassador took the opportunity of his one-on-one meeting with Sanader on December 3 to lay down markers about how best to show the international community -- and Croatia's voters -- that an HDZ government will keep Croatia moving forward on the road toward integration in Euro-Atlantic Institutions. Sanader seemed to take the advice seriously, writing down plenty of notes. On economics, the Ambassador urged Sanader to make a clear statement supporting the independence of the Central Bank and to engage in some substantive dialogue with the IMF. On relations with ICTY, the Ambassador said there is no room for compromise and urged Sanader to ensure his party's policy of full cooperation remains clear. On refugee returns, he said the international community welcomed Sanader's campaign statements, but would make its judgments based on policy implementation. The Ambassador told Sanader that the Defense Ministry has made good progress toward NATO goals in the past two years, particularly on depoliticization of the armed forces and on launching the difficult process of downsizing. The Ambassador expressed hope that the next defense minister would not reverse these trends.

19. (C) The Ambassador said that the USG took the HDZ's campaign pledge to sign an Article 98 Agreement as a commitment. We did not welcome reports that Miroslav Zuzul, Sanader's likely appointee to be Croatia's next foreign minister, may have been walking back that commitment during recent meetings in Washington.

10. (C) Sanader thanked the Ambassador, and while he resisted making predictions about the makeup of his proposed government, he rejected press speculation that either of the former Defense Ministers now in the HDZ parliamentary caucus, Luka Bebic or Andrije Hebrang, would be named as Croatia's next defense minister. (Note: Both Bebic and Hebrang have made statements suggesting they would reward political loyalty within the uniformed services. End Note.) Sanader welcomed the Ambassador's proposal to continue to meet regularly as plans for the next Croatian government take shape.

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